

May 19, 2011

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WC Docket No. 11-42 Lifeline and Link Up Reform and Modernization
CC Docket No. 96-45 Federal-State Joint Board on Universal Service
WC Docket No. 03-109 Lifeline and Link Up
NOTICE OF EX PARTE PRESENTATION

Dear Ms. Dortch:

On May 19, 2011, F.J. Pollak, President and Chief Executive Officer, TracFone Wireless, Inc., Javier Rosado, Senior Vice President - Lifeline Services, TracFone Wireless, Inc., and I, met with Zachary Katz, Legal Advisor to Chairman Genachowski and with Kim Scardino of the Wireline Competition Bureau Telecommunications Access Policy Division. During this meeting, we discussed the Commission's pending Lifeline Reform and Modernization proceeding. Part of that discussion involved a proposal obtained by TracFone from West Corporation to develop and implement a system to validate Lifeline enrollments and to prevent duplicate Lifeline enrollments by consumers in multiple Lifeline programs. A copy of the West proposal was provided and is attached to this letter. In all other respects, positions expressed on behalf of TracFone were consistent with positions it has taken in previous written submissions in these proceedings.

Pursuant to Section 1.1206(b) of the Commission's rules, this letter is being filed electronically. If there are questions regarding this letter, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher

Enclosure

cc: Mr. Zachary Katz
Ms. Kim Scardino

ENCLOSURE

A large, abstract graphic spanning the width of the page. It features a dark blue world map with glowing, translucent blue lines that crisscross the globe, suggesting a global network or data flow. The lines are more concentrated in the upper right and lower right areas, with a bright starburst effect in the upper right corner. The overall color palette is shades of blue and white.

PROPOSAL FOR

VALIDATING LIFELINE ENROLLMENTS

MAY 17, 2011



May 17, 2011

Javier Rosado
SVP Lifeline Services
TracFone Wireless, Inc.
9700 NW 112th Ave, Miami, FL

Dear Javier,

West is pleased to present the FCC / USAC with an automated solution to reduce the potential of Lifeline fraud by individuals using the service on multiple Eligible Telecommunications Carriers (ETCs) concurrently, and for cases where more than one Lifeline customer resides in the same household.

Our proposed automated solution will enable the FCC to direct ETCs to cost effectively access a centralized database of Lifeline customers prior to enrolling potential customers. The program will have 3 phases:

1. Secure Platform Configuration / Build-out
2. Initial Lifeline database "scrubbing"
3. Ongoing database "dips" by ETCs

The attached proposal provides you with a detailed description of our solution as well as a straight-forward project plan to implement quickly. We look forward to your feedback.

Best regards,

A handwritten signature in black ink, appearing to read "P. Wulfraat", is placed below the "Best regards," text.

Peter Wulfraat
Director of Sales
402-321-2661



CORRESPONDENCE PURPOSE / CONFIDENTIALITY

Prepared For: Javier Rosado
SVP Lifeline Services
TracFone Wireless, Inc.
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jrosado@tracfone.com

Prepared by: Peter Wulfraat
Director of Sales
West Corporation
Phone 402-716-0852
E-mail pjwulfraat@west.com

All correspondence pertaining to this Proposal should be addressed to the above named individual.

The pricing contained in this proposal is effective for 90 days from the date of issuance.

Confidentiality: This document contains information proprietary to West Corporation. This document shall not be reproduced, transformed to other documents, disclosed to others, or used for any purpose other than which it was furnished without prior written permission of West Corporation.

Submitted On: May 17, 2011

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Executive Summary

West Interactive Corporation (West) appreciates the opportunity to partner with the FCC and USAC to deliver an Automated Lifeline Telephone Service Eligibility Solution. Today, customers are able to apply for Lifeline service through multiple Eligible Telecommunications Carriers (ETCs) without a centralized database to ensure customers are not already receiving Lifeline benefits. Each ETC is able to validate customer eligibility based on personal information, credit reports, proof of income, and other methods, but there is no requirement or ability for ETCs to ensure customers are not already enrolled with another provider; they must rely on the word of the customer. A majority of customers are in compliance with the eligibility requirements, but some double-dip (or use even more than two ETCs) on Lifeline benefits. The gap in the current environment is ensuring that a given customer is not being serviced by multiple ETCs.

We propose limiting the potential for customers to receive Lifeline discounts from multiple ETCs by establishing a centralized database that houses Lifeline Customer information, and for the FCC to implement a process for ETCs to check the database prior to granting Lifeline discounts to customers.

The method of access to the database will be universal for all ETCs through standards-based Web-Services via the Internet. We will provide methods for querying for existing Lifeline service for a customer, adding new customers, deleting customers, verifying unique addresses, and other database methods as needed. This centralized repository and the standard access methods will conveniently empower ETCs to ensure they are not granting Lifeline services to customers that already receive benefits from other carriers.

In order to start the process, we recommend importing all existing USAC database records for Lifeline customers, performing a check for duplicates, identifying multiple customers at the same address, and ensuring the overall integrity of the database. We will identify the customers that are out of compliance or ineligible and can notify them, on your behalf, that they need to do one of the following:

- Select only one ETC for Lifeline services; all other Lifeline benefits currently received from other carriers will stop, and the customer will be prohibited from receiving multiple benefits in the future
- Resolve the issue of multiple Lifeline benefits for a single address

We propose using a variety of communication methods to make customers aware of the need to comply with the above directives. If no response / acknowledgement is received on a given

channel within a specified amount of time, we will escalate the communications to the next channel. Specifically:

1. Initial Outbound SMS
2. Follow-on outbound automated voice call (if no acknowledgment from SMS is received)
3. Letters (if no acknowledgment from automated voice call is received)

We recommend using Automated Voice and SMS notifications followed by mailed letters if no response from customers is received through the automated channels. We can track and report on notifications and customer responses in Daily, Weekly, Monthly, Annual formats by ETC. The overall goal is to ensure all customers out of compliance are notified of the action to be taken (one or more services will be deactivated at the household) and given the opportunity to choose their preferred ETC.

Below are some additional points to consider about West as the solution provider:

- Solution is flexible and can be modified to suit particular FCC/ USAC requirements
- Proven performance and results in supporting leading telecommunications and financial services clients for their Automated Inbound and Outbound communications needs
- Core Business Focus – 20+ years delivering thousands of automated interactive solutions
- Full range of services and technologies required for successful integration with ETCs
- Customer-centric approach to ensure ETCs are not adversely affected by the proposed process changes
- Security and Compliance

Business Requirements

- ❑ **Perform Initial Database “Scrub”** – We will ensure there are no duplicate entries and that each address has only one Lifeline services recipient listed in the database
- ❑ **Establish Carrier-Agnostic APIs** — West will expose APIs to determine if a potential service recipient is listed in the database, if an address already has a recipient listed, add a recipient, change a recipient’s service provider, and other APIs you deem necessary so that carriers can access the data neutrally
- ❑ **Reduce Fraud** — FCC will benefit by having a centralized repository that uniquely identifies who has service, which carrier they are using, and enabling carriers to check against the database prior to granting Lifeline services to recipients
- ❑ **Provide Reporting** — West will provide reports that show the Daily, Weekly, Monthly, and Annual database transactions per carrier so that you can charge-back costs as well as identify trends; customized reporting is available to ensure we meet your needs
- ❑ **Establish Outbound Notifications** — By leveraging our outbound notifications platform, you will be able to reach service recipients via Voice, SMS, or through mailed letters to their listed contact points

Solution Details

West is unique in that we can offer FCC a single, geographically redundant platform that has been proven to scale and has the full range of services you need for implementing a centralized Lifeline customer database. Our core competency is transactional processing across multiple channels including Data, Voice Self-Service (IVR), Outbound Voice Notifications and Outbound SMS Notifications..

Specifically, we propose the following solution components:

- Centralized, fully managed database with replication across multiple datacenters for redundancy
- Standards-based Web-services methods for access and updates by ETCs
- Complete reporting for all transactions - each ETC will have the ability to view their own data, and you will be able to see all transactions in multiple views
- Multi-channel communication to customers through:
 - o Voice
 - o SMS
 - o Mailed Letters
- Fully managed IVR with English and Spanish language support – enable customers to select their ETC of choice in response to outbound notifications that they are receiving multiple Lifeline benefits. The IVR application will update the centralized database accordingly.
- 24x7x365 Platform Monitoring
- Client Services Account Team – the same team that will project manage the implementation of the proposed services will be your primary contact and business partner for the lifetime of our partnership

Centralized Lifeline Subscription Database

West will establish a database that is replicated across three geographically redundant datacenters. The database will reside in our Longmont, CO, Omaha, NE, and Atlanta, GA datacenters. Each

site has carrier-grade Internet access for ETCs. Our database servers are Enterprise-class IBM servers and are security-hardened.

The database will contain the following information for Lifeline customers:

- Current Status
- ETC service provider
- Name
- Address
- Social Security Number (if authorized)

ETC Web-Services Database API Access Methods

We will expose the following universal Web-services methods to ETCs:

- Query for existing customer record
- Add new customer record (constraints on database to not allow duplicates)
- Delete customer record (requesting ETC must be the ETC currently providing Lifeline services)
- Update customer record (requesting ETC must be the ETC currently providing Lifeline services)

Additional methods may be developed as-needed.

FCC/USAC Transactional Reporting

West will provide the FCC a Web-based reporting suite that includes summarized transactions by day, week, month, and year. This data can be further filtered by ETC. Other filters and customizations can be done as-needed based on time and effort estimates.

Below is a sample dashboard view to give you a visual representation of the formats we are able to present the data in addition to textual, summarized formats:



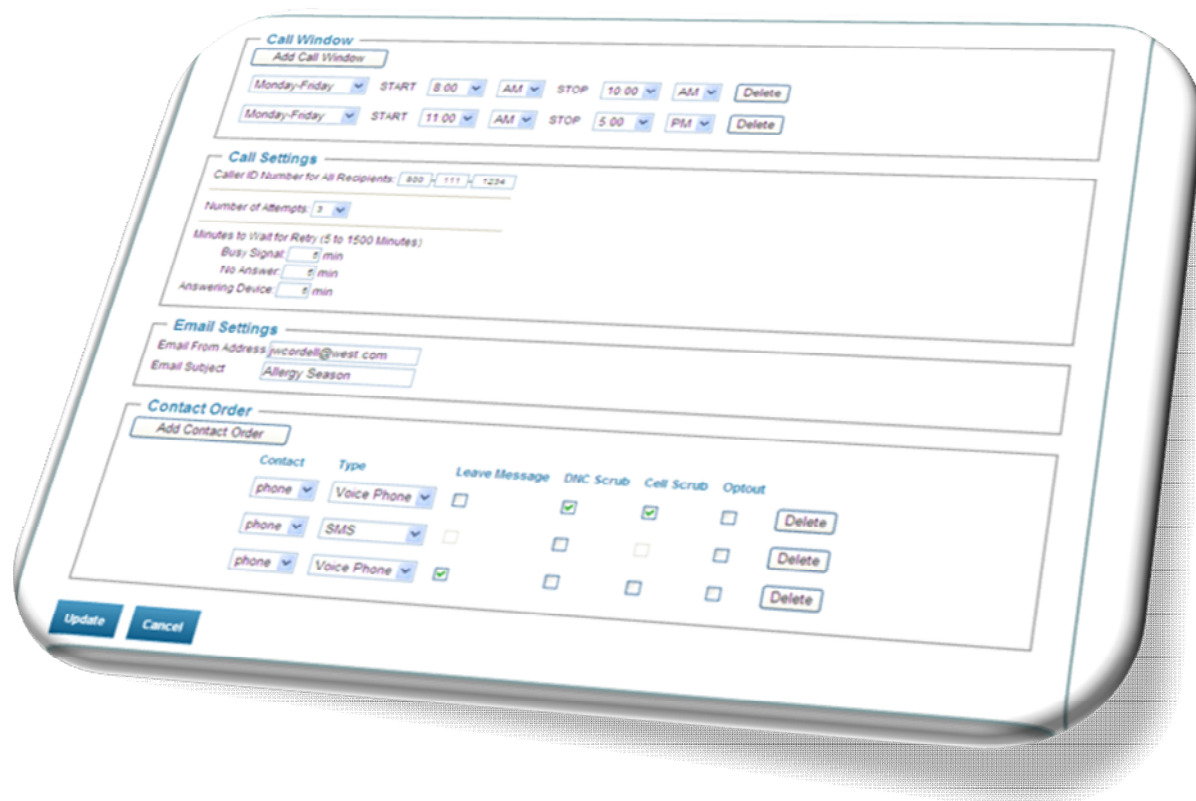
The benefit you will gain from this level of automated reporting is the ability to quickly and conveniently see the total transactions for Lifeline customer database functions, and the ability to quantify, segregate, and report usage by ETC. If you are inclined to bill ETCs for their usage, we can create standard views that will enable near-effortless invoicing processes based on reliable, timely data from our systems.

Multi-Channel Communications to Existing Lifeline Customers

We will execute outbound notifications to customers that need to select a single Lifeline ETC, or to those that need to rectify the situation of multiple Lifeline accounts from a single address, through our Cloud-based Campaign Central Outbound Notifications solution. The solution can be fully operated on your behalf by West, or we can expose the Web-interface to your personnel or agents to send notifications. The solution supports:

- Voice: With Right Party Connect (ensuring we reached the intended customer by soliciting verification upon answer) or standard message upon answer / voicemail
- SMS: Send URL to Website for information and Toll Free number to IVR
- Mailed Letters as-needed

We recommend using outbound Voice and SMS messages, then defaulting to mailing letters to those customers that do not comply with guidelines within a set amount of time (e.g. 30 days from time of automated notifications). We will be able to track all notification attempts, customers that have responded, and the overall compliance percentages yielded. Below is a screenshot of the Campaign Central solution to enable you to visualize the environment:



Campaign Central is a feature rich environment that includes:

- Campaign list management: we can easily filter with toggle-based Structured Query Language interface built into the webpage
- Per record caller ID (can be specified in the file on each record)
- Per record transfer number (can be specified in the file on each record)
- Support for complex contact strategies
- Support for multiple call windows each day; and varying contact windows across the week
- Distinct retry rules for busy, no answer and voice mail

- Advanced voice mail detection (95% accurate)
- Support for Right Party Contact strategies
- Escalated contact patterns across contact points and different channels – better “call to action” by using multiple channels in sequence

Our Campaign Central solution includes a comprehensive set of reporting options such as real-time dash boards to monitor campaign performance; daily summary reports for reviewing results; and detailed disposition reports/files that can be downloaded and imported into your own data warehouse. Summary reports and disposition files can be delivered in a variety of formats and via various distribution methods. These reports can be customized to meet your needs.



West captures details about each contact and will provide you with a detailed disposition report that includes:

- Contact results including dispositions for: busy, no-answer, bad number, live connect, and voice mail
- Data captured on the call (if applicable)
- Number of attempts
- Call duration
- Transfer start and end

Inbound Self-Service IVR (Supporting ETC selection)

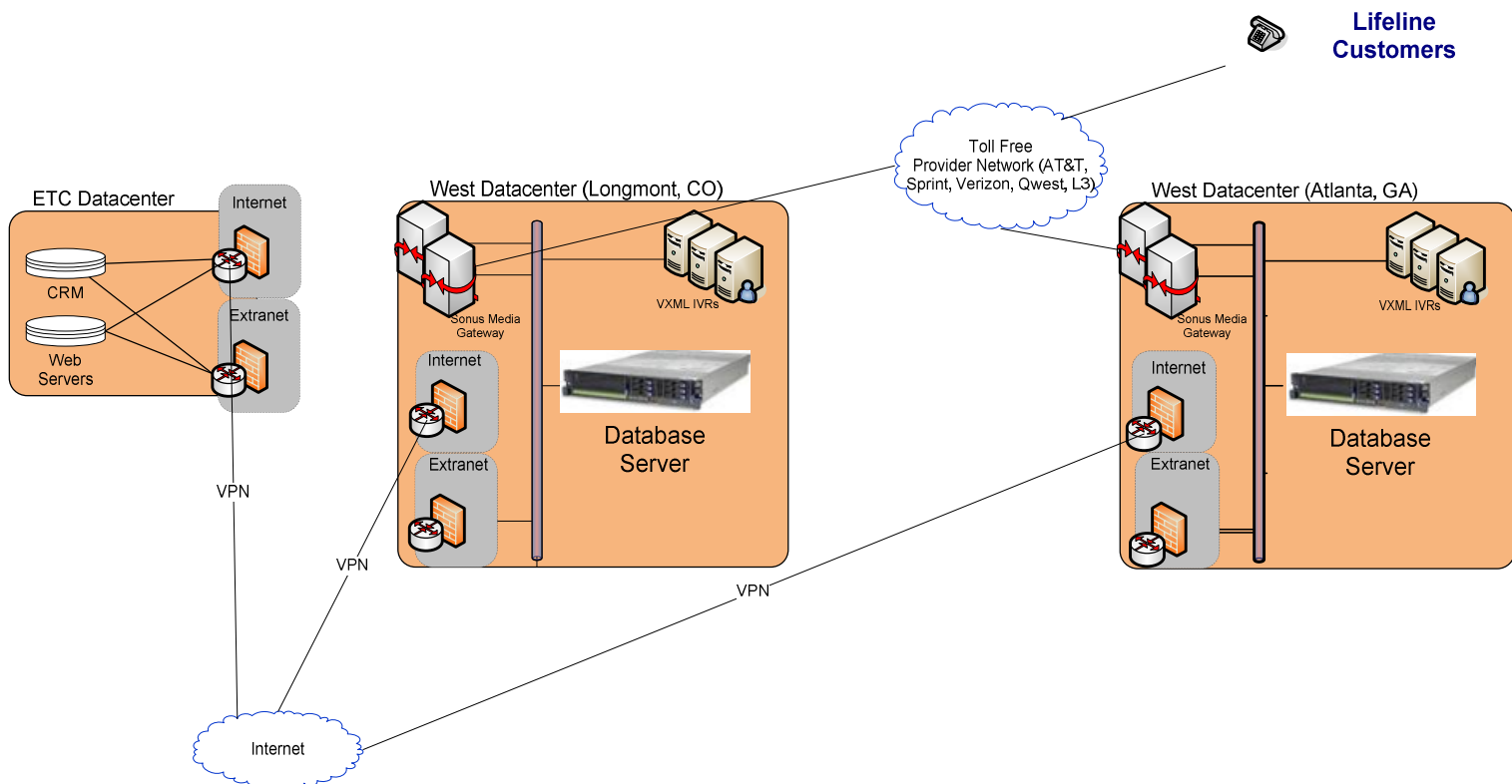
We operate more than 4,000 IVR applications for more than 200 clients on our Fully Managed IVR platform with more than 140,000 ports. We have Toll Free carrier access to AT&T, Verizon, Sprint, Qwest, and Level3. We are North America's largest IVR port provider and service much of the nation's Fortune 1000 companies.

Our experience with IVR applications enables us to confidently propose building an application that enables Lifeline customers to respond to your outbound notifications of non-compliance through a simple, easy-to-use, automated IVR program. We envision the call-flow to be:

- Customer Dials Toll Free Number sent via Voice, SMS, or Letter
- The IVR will prompt the customer to select English or Spanish
- The IVR will access the database to determine the reason the customer was notified for non-compliance (more than one active ETC, or multiple Lifeline accounts at a single address)
- If the customer has more than one active ETC, the IVR will allow them to use Speech or DTMF to select the only one they wish to retain (full call recording for quality assurance and compliance review)
- If the customer is non-compliant due to multiple Lifeline accounts at a single address, they will be given the information needed to resolve the issue (can be verbal, link to Website via SMS, or by Letter)
- The IVR will update current Outbound Notifications status for the customer to ensure we do not continue to notify customers that have responded
- Reports will be updated to indicate status changes as appropriate

Proposed Architecture

Lifeline Enrollment Application Database and IVR Architecture



24x7x365 Platform Monitoring & Solution Management

You can trust West to always be on, and to always be able to respond in the event of any sort of issue. All systems, no matter how well-engineered, are subject to environmental disasters, upstream issues, or any number of other service-impacting causes. The strength of West is our 25+ years of proven Incident Management that is centralized through our World-class NOC in Omaha, NE. The center is always manned, has a redundant fall-back site in Omaha, and is further backed by a sister NOC in the Philippines.

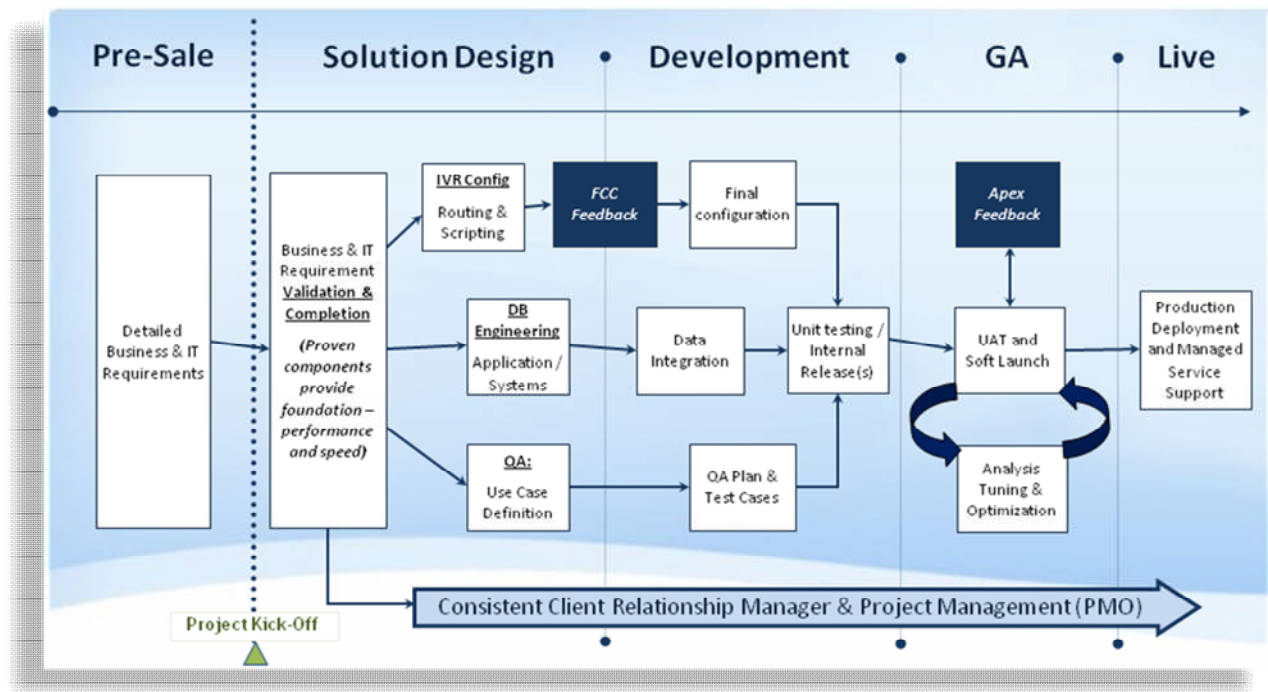


Client Support

We will provide a dedicated Client Services Account team to work with you as your advocate and liaison to all teams that will work on this solution. This team will be comprised of a Client Services Relationship Manager, an Account Manager, Director, Vice President, and numerous others as-needed. You will have dedicated representation at all times within West. This team will be proactive and prescriptive to continually work to identify more efficiencies, cost reductions, and over improvement of your applications on our platform.

This team will benefit you from the start of the partnership by delivering an experienced single point of contact to manage the implementation. Continuity of pre-implementation through go-live, and into monthly and quarterly program reviews will benefit the FCC and Lifeline customers by ensuring there is a business and technical focus on your programs at all times.

Below is a high-level diagram that reflects the main project elements necessary to ensure a speedy, accurate implementation. The process, as mentioned, will be managed by the same Client Services team from start to finish:



Budgetary Cost Estimate

1. Initial Infrastructure Configuration (Core Database / ETC API development)

We present 2 options: shared or dedicated systems configurations.

West will establish a database that is replicated across three geographically redundant datacenters. The database will reside in our Longmont, CO, Omaha, NE, and Atlanta, GA datacenters. Each site has carrier-grade Internet access for ETCs. Our database servers are Enterprise-class IBM servers and are security-hardened.

The database will contain the following information for Lifeline customers:

- Current Status
- ETC service provider
- Name
- Address
- Social Security Number (if authorized)

We will also expose the following universal Web-services methods to ETCs:

- Query for existing customer record
- Add new customer record (constraints on database to not allow duplicates)
- Delete customer record (requesting ETC must be the ETC currently providing Lifeline services)
- Update customer record (requesting ETC must be the ETC currently providing Lifeline services)

Additional methods may be developed as-needed.

Cost - Option 1: Shared Platform Configuration

We are able to implement a solution that leverages our existing database servers in a shared usage model with full PCI compliance and resiliency/redundancy needed to ensure your program's success.

The Initial configuration cost to support a secure, shared platform environment is \$25,000

Component	Estimated Cost
API development, solution testing and other project management-related expenses	\$24,500

Cost - Option 2: Dedicated Platform Configuration

In the event that a dedicated database server solution is preferred , we propose the following with a total estimated cost of \$300,000:

Component	Estimated Cost
2 Database Servers	\$42,000 (\$21,000 each)
8 Cores of Database Licenses	\$220,000 (\$27,500 each)
Datacenter Infrastructure	\$13,500
API development, solution testing and other project management-related expenses	\$24,500

Database Server Specifications:

POWER7 p710

- 4-core 3.0Ghz POWER7 processors / rPerf = 45.13
- 64Gb RAM
- DVD-RAM drive
- 4-port IVE
- Two (2) 146GB 15K SFF
- One (1) 8Gb 2-port HBA (NPIV capable)

- AIX 6.1 Standard
- PowerVM Standard

2. Initial Database “Scrub”

In order to start the process, we recommend importing all existing USAC database records for Lifeline customers, performing a check for duplicates, identifying multiple customers at the same address, and ensuring the overall integrity of the database. We will identify the customers that are out of compliance or ineligible and can notify them, on your behalf, that they need to do one of the following:

- Select only one ETC for Lifeline services; all other Lifeline benefits currently received from other carriers will stop, and the customer will be prohibited from receiving multiple benefits in the future
- Resolve the issue of multiple Lifeline benefits for a single address

We propose using a variety of communication methods to make customers aware of the need to comply with the above directives. If no response / acknowledgement is received on a given channel within a specified amount of time, we will escalate the communications to the next channel. Specifically:

1. Initial Outbound SMS text message
2. Follow-on outbound automated voice call (if no acknowledgment from SMS is received)
3. Letters (if no acknowledgment from automated voice call is received)

We will track and report on notifications and customer responses in Daily, Weekly, Monthly, Annual formats by ETC. The overall goal is to ensure all customers out of compliance are notified of the action to be taken (one or more services will be deactivated at the household) and given the opportunity to choose their preferred ETC.

Cost – Initial “Scrub”

Cost below would apply to consolidate / “scrub” the database of 12,000,000 Lifeline contacts. For budgetary purposes we have assumed a that there would be 3,000,000 Lifeline customers that use multiple ETCs and would require notification.

Component	Estimated Cost
Project management and database administration - related expenses	\$20,000
<u>STEP 1 SETUP</u> One-time SMS program (includes short code attainment)	\$20,000
<u>STEP 1 ESTIMATED SERVICE USAGE</u> SMS Text Messaging (3,000,000 @ \$0.025/SMS)	\$75,000
<u>STEP 2 SETUP</u> One-time Outbound Voice IVR Notifications setup	\$10,000
<u>STEP 2 ESTIMATED SERVICE USAGE</u> Outbound Automated Voice IVR Notifications (Assumes 500,000 customers respond to SMS) (2,500,000 @ \$0.095/notification)	\$237,500
<u>STEP 3 SETUP</u> One-time Letter Creation (English / Spanish)	TBD
<u>STEP 3 ESTIMATED SERVICE USAGE</u> Letter Mailings (Assumes 1,000,000 customers respond to automated voice message) (1,500,000 @ \$TBD/mailing)	TBD
<u>OTHER DEVELOPMENT</u> One-time Inbound Automated Self-Service IVR development to support carrier selection (English & Spanish support)	\$75,000
<u>OTHER ESTIMATED SERVICE USAGE</u> Inbound Automated Self-Service IVR Usage estimated to support carrier selection (English & Spanish support) (Assumes 500,000 customers do not wish to stay with their default carrier)	\$95,000

(500,000 calls @ \$0.19/call – assumes a 2 minute call)	
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3. Ongoing Database Service “Dips” by participating ETCs

The following universal Web-services methods to ETCs:

- Query for existing customer record
- Add new customer record (constraints on database to not allow duplicates)
- Delete customer record (requesting ETC must be the ETC currently providing Lifeline services)
- Update customer record (requesting ETC must be the ETC currently providing Lifeline services)

The Monthly cost to support Database access and systems management is as follows:

Monthly Volume (API “Dips”)	Cost / “Dip”
First 500,000 “Dips” (0-500,000)	\$0.19 per “Dip”
Next 250,000 (500,001 – 750,000)	\$0.15 per “Dip”
Next 250,000 (750,001 – 1,000,000)	\$0.11 per “Dip”
Next 1,000,000 “Dips” (1,000,001 – 2,000,000)	\$0.09 per “Dip”
Additional “Dips” 2,000,001+	\$0.08 per “Dip”

- A monthly minimum financial commitment of 500,000 “Dips” is required (\$95,000/month).
- Pricing is stair-stepped, each transaction will be billed at the applicable rate based on the monthly volume

About West Corporation

West Corporation is a leading provider of outsourced communication solutions to many of the world's largest companies, organizations and government agencies. We help our clients communicate more effectively maximize the value of their customer relationships and drive greater profitability from every interaction.

Founded in 1986 and headquartered in Omaha, Nebraska, West has a team of approximately 40,000 employees based in North America, Europe and Asia.

Providing Hosted and managed automated communications solutions is our core competency. With over 4,000 applications deployed we are currently one of the largest service bureaus in the United States. Our Interactive division delivers hosted and managed automated solutions that combine voice, text messaging and data-transaction technologies with a highly scalable standards-based infrastructure. We enable customers to use a variety of multi-media contact methods designed to deliver superior service and maximize the value of every customer interaction.

We are renowned for being a flexible, responsive and client-focused organization. We feel it is our responsibility to be constantly 100% focused on caller/consumer satisfaction and to provide flexible solutions that are respectful of the consumers time and provide flexible options when conducting transactions.

In the past several years West has been able to garner accolades for its clients from nationally recognized customer service rating firms. For example, West is a key factor when clients win JD Powers awards. In total, West clients have been recognized with ten JD Powers awards where West contributed significantly in criteria analyzed for such merit.

Our Practices

By combining our 20 years of customer contact experience with our knowledge of best practices and the latest technology innovations, we will help FTC / USAC design and implement customer contact strategies that meet your customer's ever-changing lifestyles and requirements. Our solutions provide a path of least resistance for customers consequently driving the highest adoption rates and customer satisfaction.

West is excited to work with the FCC / USAC to deliver a customized solution that meets both your needs, ETC needs and those of Lifeline consumers. A cost effective solution that is built around the specific needs of your consumers is going to be key in meeting their expectations and enabling

them to feel that they have choices in how to most conveniently conduct business with ETCs supporting the Lifeline program.

What differentiates West is the philosophy and culture of its business to position the company as a true partner with you. West accomplishes this by providing scalability/size, significant technical capability, extensive integrated or stand-alone managed self-serve, creative solutions. Additionally we provide management teams with longevity. Being a market leader in each of our operational segments allows us to provide you with a single solution for ultimate flexibility and reliability on a large scale.